

Cabinet Newsletter

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Dear Reader,

The week has begun on a strong note. On Monday, Vice President Tajani made a statement at the European Parliament's plenary session in Strasbourg on SME financing in the next programming period.



Antonio Preto
Head of Cabinet

Addressing practical aspects on the revision of EU instruments to support SME financing, the Vice President presented the Commission's goals, which include placing greater emphasis on financial instruments in its new programme proposals. He commented that instruments will be made cross-platform so as to serve a variety of programmes, simplifying management, improving relations with partners, and providing transparency for markets.

According to Vice President Tajani's proposal, instruments that serve SMEs would be couched within an EU programme for growth and competitiveness that builds upon our experiences to date. The successful Competiveness and Innovation Programme (or, CIP) would continue to be used to guarantee instruments' implementation through local banks and venture capital funds.

In his Commission statement, the Vice President also referred to the SME Finance Forum as a way of monitoring the development of SME financing, promoting best practices, and encouraging new approaches. He called on the Enterprise Europe Network's increased participation in providing information and advice to SMEs on how to obtain access to finance.

Finally, he noted the importance of revising the regulatory environment. Thanking his colleague Commissioner Barnier for his communication on the Single Market, Vice President Tajani signalled the forthcoming adoption of legislative proposals on the capital requirements of banks. Our June proposal will include an in-depth assessment of their micro- and macro-economic effects.



In closing, Vice President Tajani asked for feedback from his EU colleagues, as the Commission begins to formulate programmes that support SMEs in their access to finance in the upcoming period.

Indeed, the EU's need to support firms is clear. Financial markets must operate on an European scale if competitiveness and the efficient financing of growth are to be expected and achieved. As they stand, European markets for SME financing are deficient, making efforts at the European level necessary, as these will help regulate market functioning.

In related news, the Commission launched a consultation last week on major improvements to EU research and innovation funding, proposed as the 'Common Strategic Framework'. This Framework will bring a variety of our present-day instruments together in order to simplify procedures, facilitate participation, and maximise the 'value for money' ratio.